

IN THE CLAIMS

The following shows the changes to the claims instituted by Applicant's prior Amendment:

1-2. (Cancelled).

23. (Currently Amended) ~~Sound~~ The sound reproducing system as claimed in claim ~~1~~10, characterized in that the headphone is provided with a sound transporting means ~~(12)~~for transporting said first and second sound signals to said microphone.

34. (Currently Amended) ~~Sound~~ The sound reproducing system as claimed in claim 3, characterized in that the sound transporting means comprises a tube ~~(12)~~for insertion in an ear of a user.

45. (Currently Amended) ~~Sound~~ The sound reproducing system as claimed in claim ~~1~~10, characterized in that the microphone ~~(6)~~is integrated in a headphone insertable inside the ear.

56. (Currently Amended) ~~Sound~~ The sound reproducing system as claimed in claim ~~1~~10, characterized in that the headphone sound generating means ~~is~~is also used as said microphone.

67. (Currently Amended) ~~Sound~~ The sound reproducing system as claimed in claim ~~10~~, characterized in that the system comprises means ~~to establish~~ for establishing a the relative position of the headphones and a stationary element of the system.

78. (Currently Amended) ~~Sound~~ The sound reproducing system as claimed in claim ~~67~~, characterized in that an emitter of a signal or sensor for localizing signals is positioned near or ~~at~~ at least at one headphone ~~an emitter of a signal or sensor for localization signals is present~~, and the fixed part comprises a sensor or emitter, respectively, for localizing signals.

89. (Cancelled).

10. (New) A sound reproducing system including at least one external sound source, headphones and means for generating an input sound signal for said at least one external sound source and said headphones, said headphones comprising:

sound generating means for receiving said input sound signal; and

means for controlling an output signal generated by said sound generating means for simulating external sound sources, characterized in that said controlling means comprises:

10 a microphone positioned in close proximity to said sound
11 generating means, said microphone receiving a first sound signal
12 from said sound generating means and a second sound signal from
13 said external sound source, said microphone generating a resultant
14 signal;
15 means for modifying the input sound signal applied to said
16 sound generating means;
17 means coupled to receive said resultant signal for
18 adjusting said modifying means until said resultant signal is
19 substantially zero;
20 means for recording settings of said adjusting means; and
means for applying said input sound signal to said at
least one external sound source during a set-up mode while said
adjusting means adjusts said modifying means, and for removing said
input sound signal from said at least one external sound source and
25 for causing said adjusting means to use said recorded settings
during a operating mode, whereby in said operating mode, a user of
the headphones perceives a phantom sound source corresponding to
said at least one external sound source.

1 11. (New) The sound reproducing system as claimed in claim
2 10, wherein said controlling means further comprises:
3 means for generating a known signal for said input sound
4 signal;

5 means for measuring and recording data corresponding to the resultant signal in said operating mode when said headphone is placed on a standard head;

means for comparing said recorded data with data corresponding to an actual resultant signal when said headphone is placed on a user's head; and

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means for further adjusting said modifying means until said data corresponding to said actual resultant signal equals said recorded data.